

- amend original dependent claims 2-11.

For the Examiner's convenience, applicants attach a "clean" copy of the claims as now pending in this case.

In amending their claims, applicants have carefully taken into account the various suggestions the Examiners made during the interview. Based on that discussion, applicants have now specifically recited in each of new independent claims 65 and 85 that the claimed process is directed to "an electronic auctioning process for auctioning fixed income securities". New independent claim 65 further requires, among other things, "automatically computing at least one interest cost value based at least in part on said inputted data, said automatically computed interest cost value specifying a rate representing borrowing cost associated with said at least one fixed income security", and new independent claim 85 includes a similar limitation.

Support for these limitations may be found, for example, in applicants' originally filed specification at page 3, line 24 ("auctions of financial instruments, such as municipal bonds"); page 7, line 33 et seq ("original issuer municipal bond auctions ... [t]he present invention is also applicable to corporate commercial paper, corporate bonds and notes, US Treasury auctions ...."); page 6, line 15 ("calculation of the cost of a proposed bid ...."); page 13, lines 3-8; page 18, line 18 et seq; and Figure 13 ("Your TIC: 6.0803%"). Applicants also refer the Examiner to Attachment A (copy attached for the Examiner's

convenience) of Exhibit A-4 of applicant's 5/29/97 provisional application (which is incorporated by reference into this application).

Applicants explained during the interview that the Notice of Sale of fixed income securities often specifies a particular formula to be used for calculating interest cost value. See, e.g., Exhibit 5 page 2 of applicants' provisional filing (copy also attached). Instead of limiting their independent claims to particular jargon such as "true interest cost" that someone may try to avoid by simply changing terminology, applicants propose the more definite terminology of a computed "interest cost value specifying a rate representing borrowing cost associated with" a fixed income security.

Applicants appreciate the Examiners' indication during the interview that the proposed new claims overcome the non-statutory subject matter rejection under 35 USC Section 101. As applicants explained during the interview, the proposed new claims are patentable over the Ausubel reference. Ausubel does not teach or suggest automatically computing at least one interest cost value, and communicating a message associated with a submitted bid to an issuer's computer and displaying the computed interest cost value at the issuer's computer display as recited in new independent claims 65 and 85, nor does Ausubel teach or suggest the various features recited in applicants' various dependent claims. Ausubel's emphasis appears to be on a "flexible bidding" concept that allows bidders to store multiple alternative "bidding rules" in a database that can be iteratively queried as the auction proceeds. See e.g., col. 6, lines 38-63 and col. 13, lines 6-49 (US

Treasury Bond auction). This "flexible bidding" concept does not teach or suggest applicants' claimed subject matter.

**Supplemental Information Disclosure Statement**

During the interview, inventor Myles Harrington provided some further brief explanation concerning the prior art "PARITY" system described at page 3 and following of applicants' specification and described in certain documents applicants submitted with their 5/29/98 Information Disclosure Statement (which the Examiner has already cited and considered in this case). Applicants supplement their first Information Disclosure Statement with some additional documents (listed on attached form PTO-1449) relative to PARITY. One of these documents (a letter dated 8/16/96) refers to a prior art computation program called BIDCOMP. Applicants are also attaching some example screens provided by this prior art "BIDCOMP" bid computation program. These screens illustrate that BIDCOMP could automatically calculate an interest cost value relating to a bid.

As inventor Harrington explained during the interview, combining BIDCOMP with PARITY would not yield the claimed invention at least because such combination would not, for example, operate by "communicating at least one message associated with said submitted bid to said issuer's computer over said at least one electronic network and displaying on said issuer's computer display, information associated with said bid

including said computed interest cost value" as required by independent claim 65.

Applicants' independent claim 85 and dependent claims provide further distinguishing features. Applicants would be happy to answer any additional questions the Examiner may have about PARITY and/or BIDCOMP once the Examiner has an opportunity to review these materials.

**Conclusions**

All outstanding issues have been addressed and this application is in condition for allowance. Should any minor issues remain outstanding, applicants request the Examiner to contact the undersigned at the telephone number listed below so the issues can be resolved expeditiously without need of a further written action.

Respectfully submitted,

**NIXON & VANDERHYE P.C.**

By: \_\_\_\_\_



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